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TS # 141578

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Progress Report on the Implementation of Recommendation
No. 2 of the Report to the President by the President's
Board of Consultants on Foreign Intelligence Activities

1. The President, after consideration of agency comments thereon, has directed action as indicated below, on the following recommendation of the President's Board of Consultants on Foreign Intelligence Activities:

Recommendation: "To insure the proper functioning of the Intelligence Community and to guarantee proper coordination with the military in times of war, we suggest that a realistic appraisal of the Community's organization and responsibilities be undertaken at once. This should be undertaken directly by the Director of Central Intelligence, and he should report his appraisal and recommendations to the Board of Consultants on Foreign Intelligence Activities."

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Action: "Approve, and refer to the Director of Central Intelligence and the Secretary of Defense for action."

In approving the above action, the President has directed that a progress report on the implementation thereof be submitted to him by 1 May 1957.

2. In order to avoid overlap with other studies recommended by the Board, it will be desirable to cross-reference this study thoroughly with those undertaken under Recommendations No. 3, No. 4, and No. 9. The organization of the Intelligence Community in time of war or peace depends on the collection of directives issued to it by the National Security Council. Those directives are now under detailed review in compliance with Recommendation No. 9. The organization of the Community will depend heavily on the outcome of the Recommendation No. 4 study with respect to "strong centralized direction." A very large part of the Intelligence Community's work in wartime will be in theaters of operation; thus, any consideration of organization will necessarily require the resolution of problems of war planning overseas (Recommendation No. 3).

3. On 17 April 1956, the Intelligence Advisory Committee approved a report of an ad hoc Working Group on Emergency Plans in which the following conclusion was reached:

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"Our conclusion is that the impact of war will have little if any effect on the responsibilities of the IAC, subject to further clarification of the role of the NSC in wartime."

I find no reason to disagree with this conclusion now. After the studies mentioned in paragraph 2 above are completed, we will be in a better position to discuss any changes in organization of the Community in response to new responsibilities not now identified.

4. The subcommittee structure of the Intelligence Advisory Committee has successfully dealt with the problems of staffing the Community on most of the major intelligence problems confronting us. I suspect that we shall find that intensification of this technique will be called for in wartime. The military intelligence components will be concerned primarily with support for military operations while the National Security Council will be requiring integrated political, economic, scientific, and military intelligence to support its overall responsibility to advise the President on national security policies. I estimate that the National Security Council will require evaluations of:

(a) potentials, exploitable vulnerabilities, and intentions of the enemy and enemy-committed countries, all three to include the type of integrated intelligence mentioned above;

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- (b) the probable courses of action of uncommitted countries;
- (c) the capabilities and requirements of allied and/or uncommitted economies; and
- (d) probable post-war economic and political situations in various parts of the world.

In addition to these priority subjects for the National Security Council, the Community itself will be a consumer of integrated intelligence produced by the substantive subcommittees of the Intelligence Advisory Committee for operational and planning purposes.

5. The Intelligence Advisory Committee conclusion of 17 April 1956 did not include and does not apply to the wartime conduct of clandestine operations overseas. The substantial adjustments which will be required in such activities are a subject for consideration primarily under Recommendation No. 3. However, those adjustments will have some effects on the Intelligence Advisory Committee mechanism. These effects will be considered in subsequent report under Recommendation No. 2.

6. Some of the problems which we are particularly examining into include:

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(a) the relationship of the Intelligence Advisory Committee to the Joint Chiefs of Staff and the military commanders in the field;

(b) the types of intelligence estimating required and by whom to be performed;

(c) the role of the National Indications Center in wartime;

(d) the current intelligence reporting function both from a national and departmental point of view;

(e) the emergency distribution and dissemination of existing strategic intelligence (the National Intelligence Surveys);

(f) the disposition of research type specialized intelligence; and

(g) the physical locations of certain key personnel and communications between them in wartime.

7. In summary, the final report to the President in response to Recommendation No. 2 of the Board's Report to the President will discuss the organization of the Intelligence Community in the context of the revised National Security Council Intelligence Directives

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(Recommendation No. 9) as its basic charter, and with full recognition of the conclusions reached in the studies of war planning (Recommendation No. 3) and the integration and centralized direction of the Community (Recommendation No. 4).

8. The substance of this report has been discussed with the representative of the Secretary of Defense.

ALLEN W. DULLES
Director

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